Government of Saskatchewan

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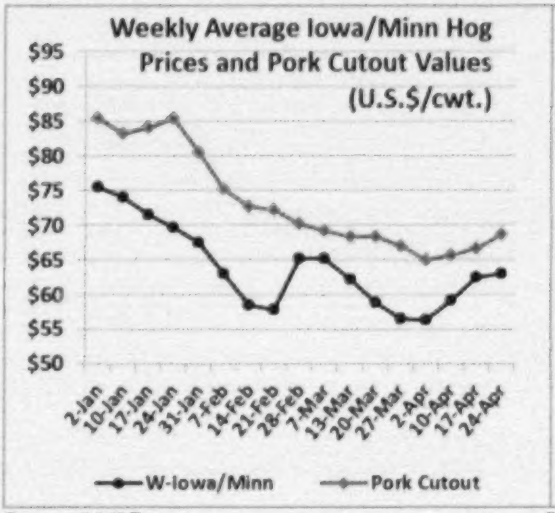
Weekly Hog Report

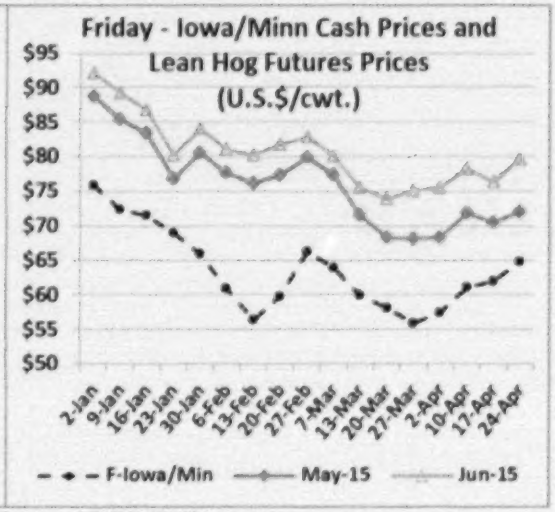
April 27, 2015

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) moved higher later in the week to end last Friday higher; week-over-week. Hog prices on Friday averaged US$64.75 per cwt, up US$2.77 per cwt from US$61.98 per cwt the previous Friday. The negotiated base price for the week averaged US$62.96 per cwt, up US$0.41 per cwt from US$62.55 per cwt the previous week. Slaughter weight hog prices gained strength from higher pork cutout values and lower hog slaughter numbers (below 2.2 million head).



Source: LMIC



Source: LMIC, CME

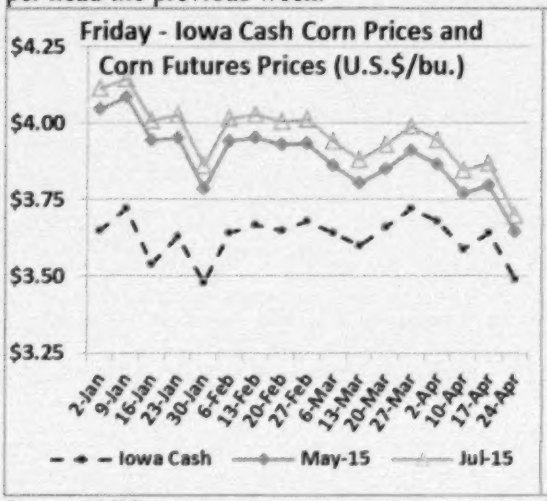
In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday April 24, 2015 was $142.16 per ckg, up $1.81 per ckg from $140.35 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $140.41 per ckg, down $1.66 per ckg from the previous weeks' average price of $142.07 per ckg. The Canadian dollar edged higher last week to close Friday at 82.17 cents; up 0.39 cents from the previous Friday's close of 81.78 cents.

Futures Markets

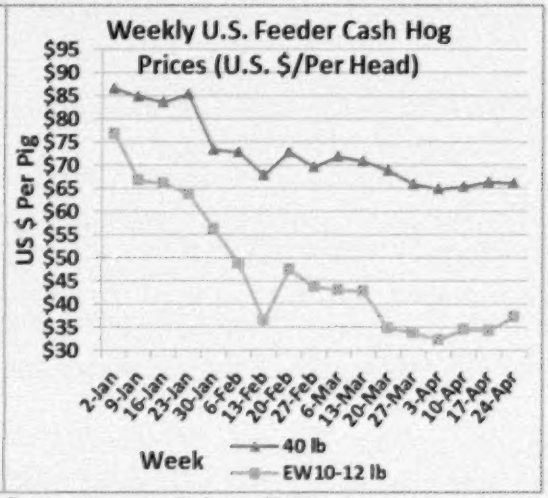
Lean hog futures daily prices were higher last week. The nearby May 2015 lean hog futures contract increased US$1.425 per cwt to settle Friday at US$71.950 per cwt, while the June 2015 contract increased US$3.175 per cwt to settle Friday at US$79.450 per cwt. Future prices for the spring (May) and early summer (June) are currently about US$7 (May) and US$15 per cwt higher than today's cash price.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were mixed last week. Weighted average cash prices for iso-weans (12lb) last week were US$37.14 per head, up US$2.95 per head from US$34.19 per head the previous week. Feeders (40lb) were US$66.02 per head, down slightly from US$66.10 per head the previous week.



Source: LMIC



Source: Iowa Agriculture, CME

Iowa cash corn prices were lower last week declining 15 cents per bushel to end Friday at US$3.49 per bushel. Daily U.S. corn futures prices were lower last week to end the week lower, week-over-week. The May 2015 corn contract declined over 15 cents to settle Friday at $3.64½ per bushel, while the July contract declined 17 cents to settle Friday at US$3.69¾ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending April 25 were estimated at 2.184 million head, down 2.6 per cent from 2.243 million head the previous week, but up 9.7 per cent from 1.991 million head the same week a year ago. U.S. hogs slaughtered over the last four weeks averaged 2.198 million head per week, up 9.6 per cent from 2.006 million head the same four week period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending April 18, 2015 were estimated at 412,830 head, up 4.9 per cent from 393,555 head the previous week, and up 15.6 per cent from 356,998 head the same week a year ago. Canadian hogs slaughtered over the last four weeks ending April 18, 2015, were estimated to average 385,957 head, down 0.4 per cent from 387,557 head over the same period a year ago. Canadian hogs slaughtered year-to-date totaled 6.4 million head, up 1.8 per cent compared to the same period in 2014.

In Western Canada, hogs slaughtered over the last four weeks averaged 163,132 head, up 4.4 per cent from 156,298 head over the same period a year ago. Western Canadian hogs slaughtered year-to-date totaled 2.673 million head, up about 3.1 per cent from 2.592 million head the same period a year ago.

Meat Production

U.S. pork production for the week ending April 25, 2015 was estimated at 467.4 million lb., down 2.5 per cent from 479.4 million lb. the previous week, but up 8.3 per cent from 431.6 million lb. the same week a year ago. Pork production over the last four weeks ending April 25 was estimated to average 470.3 million lb., up 8.6 per cent from 433.1 million lb. over the same four week period a year ago.

U.S. beef production for the week ending April 25, totaled 442.0 million lb., up 2.0 per cent from 433.2 million lb. the previous week, but down 5.1 per cent from 465.9 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending April 18, 2015, was estimated to average 1.977 billion lb., up 4.1 per cent from 1.899 billion lb. over the same four weeks a year ago. Total U.S. meat production year-to-date for 2015 is estimated to be up 4.0 per cent compared to the same period in 2014.

United States Weekly Meat Production

(April 18) Four Week Average - Million Lb.			Percent Change	
	2014	2015	4 Week	YTD 2015
Pork	434.1	475.3	9.5%	6.8%
Beef	457.5	426.9	-6.7%	-4.3%
Chicken	881.7	947.8	7.5%	6.8%
Turkey	125.7	127.3	1.2%	4.7%
Total	**1,899.0**	**1,977.2**	**4.12%**	**4.04%**

Source: LMIC

Cutout Values

U.S. pork cutout values for the week ending April 25, 2015 averaged US$68.71 per cwt, up US$1.94 per cwt from US$66.77 per cwt the previous week, but down 41.4 per cent from US$117.35 per cwt from a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending April 25 averaged US$259.20 per cwt, up slightly from US$259.02 per cwt from the previous week, and up 11.8 per cent from US$231.91 per cwt the same week a year ago.

Average chicken cutout values (Northeast breast) for the week ending April 25 averaged US$153.85 per cwt, up US$1.61 per cwt from US$152.24 per cwt from the previous week, but down 12.8 per cent from US$176.38 per cwt the same week a year ago.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on April 22. The United States' pork stocks in cold storage totaled 668.6 million lb. on March 31, 2015, down 2.5 per cent from 686.1 million lb. on February 28, 2015, but up 16.2 per cent from 575.5 million lb. on March 31, 2014.

The United States' beef stocks in cold storage totaled 479.8 million lb. on March 31, 2015, down 2.4 per cent from 491.8 million lb. on February 28, 2015, but up 18.2 per cent from 405.8 million lb. on March 31, 2014.

U.S. combined pork, beef, chicken and turkey stocks in cold storage totaled 2.248 billion lb. on March 31, 2015, up 0.7 per cent from 2.231 billion lb. on February 28, 2015, and up 17.7 per cent from 1.909 billion lb. on March 31, 2014.

United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**March 31, 2014**	**February 28, 2015**	**March 31, 2015**
Pork	575,539	686,063	668,559
Beef	405,787	491,828	479,784
Chicken	591,569	732,090	751,939
Turkey	336,383	321,337	347,638
Total Combined	**1,909,278**	**2,231,318**	**2,247,920**

Source: NASS

Global News

The United States continues to deal with the spreading pathogenic strain of avian influenza which has led to the extermination of over 7.3 million birds in the country. Last week Minnesota was the latest state to declare a state of emergency where the H5N2 strain of bird flu has been identified on 46 farms and affected over 2.6 million birds.

Two bird flu strains have been identified in the United States. The H5N2 strain has been found in Arkansas, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, North Dakota, Oregon, South Dakota, Washington, and Wisconsin. The H5N2 strain has also been found on farms in Ontario. The other strain known as H5N8 has been identified in California and Idaho.

Iowa, the top U.S. egg-producing state found a lethal strain of bird flu in millions of hens at an egg laying facility last week prompting Wisconsin to declare a state of emergency. The facility alone represented about 6 per cent of the egg-laying hens in Iowa and over one percent of the U.S. flock. Last week Mexico, the biggest buyer of U.S. chicken halted imports of live birds and eggs from Iowa. (Source: Reuters)
http://www.reuters.com/article/2015/04/23/us-health-birdflu-minnesota-idUSKBN0NE2JP20150423
http://www.thepoultrysite.com/bird-flu/bird-flu-news.php?country=us

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